

Discovery Day Mine Scoping Proposal

This Scoping Proposal is intended to provide information on the Discovery Day Mine Plan of Operations, activities, safety measures and environmental protections.

Project Location

The Discovery Day Mine is located on the southeast side of a ridge between the east and west fork drainages of Knownothing Creek in the Klamath National Forest, approximately 3 miles southeast of Forks of Salmon, California (Figure 1).

Background

The project area consists of a road, three working pads, and underground tunnels. The project area is approximately 950 acres, with less than 20 acres proposed for use under the Plan of Operations. The area is administered by the U.S. Forest Service (USFS), a small part of which is developed as Discovery Day Mine. The three work areas include the Main Adit area with the working adit and associated equipment and structures, the Sawmill Flat area with the main office, employee camp and bunkhouses, repair shop, sawmill, associated equipment, and parking areas, and the Star Consolidated Mill area with the ore mill and associated crushing equipment, smelter building, one lined water retention pond, one recirculation pond, two mill tailings ponds, and caretaker residence.

Management Direction

The management of National Forests is guided by laws, regulations, and policies that provide the framework for forest plans and site-specific project-level analysis such as this project proposal. The 1995 Klamath National Forest Land and Resource Management Plan (Forest Plan; US Forest Service (USFS) 1995), as amended, provides guidance for managing National Forest System lands within the Forest.

Other laws that provide management direction and guidance for this project include, but are not limited to, the National Environmental Policy Act (NEPA), the Endangered Species Act (ESA), the National Historic Preservation Act, the Clean Water Act, and the Clean Air Act. This project will be designed to be consistent with all applicable policies and plans. The 1872 Mining Law, as amended, and 36 Code of Federal Regulations (CFR) 228 guide mining activities on National Forest System Lands.

The Project area is located within two Management Areas: Management Area 5 – Special Habitat – Late Successional Reserve and Management Area 10 – Riparian Reserves. The Key Watershed designation overlays both of these land allocations. The Discovery Day Mine Project area is located within the South Fork Salmon River, a Key Watershed.

Purpose and Need for Action

The purpose of this project is to recover gold from National Forest System lands located under the general mining law. Regulatory compliance will be maintained to ensure safety and protection of natural resources. The Forest Service received a proposed Plan of Operations, submitted by Discovery Day, LLC. for operations involving the continued use of the existing Discovery Day mine site. The Forest Service has the responsibility to protect surface resources, including water quality, of National Forest System lands. The Forest Service's surface use regulations for mining operations state that, "operations shall be conducted so as, where feasible, to minimize adverse impacts on [NFS] surface resources (36 CFR 228.8)." This proposal initiates the evaluation of impacts to surface

resources of National Forest System lands from the proposed mining operations and provide necessary information for the District Ranger to determine whether to accept the proposed Plan of Operations as submitted or with modifications, mitigation measures, and/or conditions to minimize adverse impacts to surface resources, including water quality, to the extent feasible.

Proposed Action

The proposed action is for the approval of a mining Plan of Operations for the continued use of the existing Discovery Day Mine located on National Forest System lands. Discovery Day, LLC. is proposing the following activities (as specified in further detail in the proposed Plan of Operations):

1. Continued production and development at the two existing Discovery Day drifts.
2. Continued use of the Sawmill Flat site for the mine camp including employee housing, workshop area for equipment maintenance, and administrative offices.
3. Installation of two additional mobile housing units to the Sawmill Flat site. These additional housing units were authorized in the previously approved 2006 plan.
4. Continued use of the Sawmill Flat site and the existing sawmill for the production of mill timbers and lumber for the development of the mine. Lumber is to be purchased from offsite private parties. Hazard trees identified by USFS and/or MSHA may be milled with authorization.
5. Continued ore milling and upgrading of existing mill facilities at the Star Consolidated Mill site located in the project area.
6. Construction of an enclosure to house the crushing circuit. This enclosure was authorized in the previously approved 2006 plan.
7. Construction of a 16-foot by 30-foot pole barn structure to house the sawmill. This structure was authorized in a previously approved site improvement plan.
8. Continued use of the Star Consolidated Mill site for housing of mill personnel.
9. Continued use and maintenance of the existing water line from Granite Gulch to the mill site.
10. Use of an existing 70-foot by 90-foot by 12-foot deep recirculation pond to increase milling capacity. This pond was authorized in the previously approved 2006 Plan.
11. Continued use and maintenance of the existing non-system road providing access to the project area from private land in the North East $\frac{1}{4}$ of the North West $\frac{1}{4}$ of Sections 6 and 7, Township 9 North, Range 8 East, Humboldt Meridian, past the Star Consolidated Mill to the Discovery Day mine.
12. Exploration and possible development at four previously authorized sites and six additional sites to determine future reserves and possible expansion of mill facilities.

Decision to be Made

The responsible official for this project is the District Ranger for the Salmon/Scott River Ranger District. The decision to be made is whether or not to approve the Plan of Operations as summarized above.

Project Design Features

Operations will be conducted in accordance with industry best practices for safety and environmental protection. Best management practices (BMPs) will be implemented and maintained over the course of the project. The Discovery Day Mine will meet BMPs through specific design features, such as operation timing, equipment limitations, Wet Weather Operations Standards implementation, and routine site inspections, including survey for noxious weeds and northern spotted owls (NSO). During mine operations, the project will comply with USFS policies and BMPs

to prevent the introduction and reduce spread of noxious weeds.

Safety

Operations and equipment will be in compliance with applicable California Occupational Safety and Health Administration (Cal-OSHA) and Mining Safety and Health Administration (MSHA) regulations. Industry standard practices and BMPs will be implemented and maintained to protect the environment and working area.

Cultural Resources

Archaeological surveys will be conducted at the request of the USFS prior to Plan of Operations approval. If any evidence of such sites is found during operations, the operator will immediately suspend all activity and notify the USFS. Any identified historic properties will be treated in accordance with the Regional 5 Programmatic Agreement.

Fish and Wildlife Resources

All surface activities will continue to be on previously disturbed land. Habitat for certain species occurs adjacent to the disturbed land, which could be affected by noise generated from milling activities. Biological surveys will be conducted to assess the presence of any special-status or endangered species in the project area prior to operations. Best management practices will be implemented to address findings of the surveys.

The Wet Weather Operation Standards limits ore hauling during periods of adverse weather to limit silt-laden water from flowing off of roads and into fish-bearing streams. Best management practices for erosion and sediment control, hazardous substance handling, and wet weather operations will be implemented to reduce potential impacts to fish and wildlife resources.

Non-native Invasive Species

Weed-whacking or mowing would be effective in controlling the yellow star thistle within the project area; however timing and technique considerably impact the effectiveness of this control method. Weed-whacking or mowing is most effective when conducted at a stage where 2-5% of the seed heads are flowering. Timing is the key to success of controlling the Scotch broom infestation at the Discovery Day Mine. The small number of plants could at this time be easily pulled with a weed wrench or shovel.

Hazardous Substances

Hazardous substances used include petroleum products and explosives. Hazardous substances will be used in compliance with established BMPs including secondary containment and proper handling. Ore milling is by gravity and does not rely on hazardous substances. All USFS, MSHA and Cal-OSHA Hazardous Materials regulations concerning transport, transfer, storage and signage are stringently followed.

Air Quality and Water Quality

Air quality protections include implementation of BMPs for dust control, regular equipment maintenance, and minimizing exhaust production. Water quality protections include background and ongoing monitoring, recycling of usable mill water, implementation of a Storm Water Pollution Prevention Plan approved by the Regional Water Quality Control Board, erosion protection on roadways and work areas, mill tailings containment, and compliance with the Wet Weather Operations Plan requirements.

Reclamation

A Reclamation Plan in compliance with Surface Mining and Reclamation Act of 1975 requirements has been developed and will be implemented within one year of mine closure. Reclamation includes removal of all mining equipment, structures, and roads. Mine adits will be closed to prevent human access. The area will be graded to conform to natural topography, and revegetated with native plant species. A reclamation bond will be maintained on file with USFS in an amount large enough to cover the cost of reclamation and contingencies.

Timeline

The Discovery Day mining operation has an expected duration of ten years. The mine would like to operate year-round, pending Wet Weather Operations Plan requirements. Operations may be intermittent due to changes in the gold market which may cause temporary shutdown periods. As required, limited operations may take place if special status species are found in the project area.

Active mining operations will resume after regulatory approval of the required operations and reclamation documents, SWPPP, and permits. Operation is expected to begin in 2018.

Lead Agency

U.S. Forest Service, Klamath National Forest.